

Department of Social and Health Services

DP Code/Title: M2-5C ACES Re-procurement

Program Level - 060 Economic Services Admin

Budget Period: 2001-03 Version: F3 060 2001-03 2003 Sup Agency Req

Recommendation Summary Text:

This request for funds is to re-procure the maintenance and operations (M&O) services for the Automated Client Eligibility System (ACES) contract that provides ongoing development and maintenance and operations of the system. The Information Services Board (ISB) supports contract re-procurement. The current contract is due to expire July 18, 2003.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	2,502,000	2,502,000
001-2 General Fund - Basic Account-Federal	0	745,000	745,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	889,000	889,000
001-D General Fund - Basic Account-TANF (DSHS)	0	724,000	724,000
Total Cost	0	4,860,000	4,860,000

Staffing

Package Description:

ACES is an automated system used to determine program eligibility and issue benefits in support of Temporary Assistance Needy Families (TANF) and other cash grants, food assistance and medical assistance programs. Contractor responsibilities currently include technical support, database administration, production control and applications development and maintenance. Contracted staff work with state staff to maintain ACES.

The contract supports 60 contracted staff at an annual cost of approximately \$11 million. That contract expires July 18, 2003. At the direction of the ISB, the department is seeking to re-procure a new contract. To safeguard the current level of system support, additional funding is necessary for the re-procurement effort. The additional funding will support acquisition of third-party quality assurance, legal counsel and staff support to manage the Request for Proposal (RFP), as well as increased costs associated with an approximate five-month transition period if a new vendor is selected.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This package allows the Economic Services Administration (ESA) to maintain a safety net for needy or vulnerable clients by allowing continued delivery of cash, food and medical benefits, child care and other services to eligible clients quickly and accurately.

Performance Measure Detail

Program: 060

Goal: 02F Maintain safety net for people in need.

No measures submitted for package

Incremental Changes

FY 1

FY 2

Reason for change:

This package requests funds to allow the department to maintain the current ACES system by re-procuring a contractor who will work with the department to maintain the existing system, provide support to users, and incorporate necessary system

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enhancements. The contract expires July 18, 2003. Re-procurement must be finalized prior to that date.

Impact on clients and services:

Additional funding to re-procure the ACES contract will not alter existing services and will allow those services to continue seamlessly.

Impact on other state programs:

The Medical Assistance Administration also uses the ACES system to deliver services to clients.

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

A feasibility study was conducted and eight options were presented to the ISB. The ISB supports the option to re-procure the ACES contract.

Budget impacts in future biennia:

None

Distinction between one-time and ongoing costs:

All costs are one-time only.

Effects of non-funding:

The current contract expires July 18, 2003. The department must re-procure a contract to ensure the implementation of system enhancements, ongoing maintenance and operations. If supplemental funding is not approved, the result will be a reduction in system enhancements, which will have a direct impact on service delivery since other program funds will need to be diverted to the re-procurement efforts.

Expenditure Calculations and Assumptions:

Fiscal Detail	SFY 2003
Personal Services Contracts	
Oversight, Legal	
and Technical Assistance	\$ 460,000
Transition - If another Vendor is selected	\$ 4,300,000
Approximately 5-month transition time	
taking into account staff loading.	
Staff - 2 Full-time FTEs for 8 months	\$ 100,000

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<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	86,000	86,000
B Employee Benefits	0	14,000	14,000
C Personal Service Contracts	0	4,300,000	4,300,000
E Goods And Services	0	460,000	460,000
Total Objects	0	4,860,000	4,860,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	2,502,000	2,502,000
<i>Total for Fund 001-1</i>	0	2,502,000	2,502,000
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources</u> <u>Title</u>			
576B Refugee Social Services (100%)	0	64,000	64,000
E61L Food Stamp Program (50%)	0	681,000	681,000
<i>Total for Fund 001-2</i>	0	745,000	745,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	0	889,000	889,000
<i>Total for Fund 001-C</i>	0	889,000	889,000
Fund 001-D, General Fund - Basic Account-TANF (DSHS)			
<u>Sources</u> <u>Title</u>			
558B Temp Assist for Needy Families (TANF) (100%)	0	724,000	724,000
<i>Total for Fund 001-D</i>	0	724,000	724,000
Total Overall Funding	0	4,860,000	4,860,000